

## No vacations, no sick days in 37-year postal career

SANTA CLARA, Calif. (AP) — Somewhere during a 37-year career, most people would take a vacation. Or maybe even use a sick day.

Not Richard Lamica.

"There was a job to be done," he said. "I didn't need vacation. Besides, the post office has been good to me all my life."

After logging 76,960 hours at the Postal Service's Mountain View office, Lamica retired last week, leaving behind \$104,000 worth of unused vacation time. He won't get the vacation money because he chose not to draw the pay over the years.

"He is an exceptionally nice fella," Postmaster Ken Baker said.

Lamica, 55, began work at age 17, and except for a few days off in the 1960s to take the kids to Disneyland, he hasn't taken a vacation.

By the time he retired Friday, he had also racked up 410 sick days.

Lamica was honored by city officials in April when he was selected grand marshal of the spring parade.

On Monday, his first day as a retiree, Lamica said he wasn't sure what to do with himself. "It feels strange," he said. "It feels like I should be at work. This isn't going to be too easy."

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# Postal wages way above the norm

## Twenty-five cents out of 30-cent stamp plan to be marked for labor costs

By TRACY E. SCHREFT  
Services Watch

Since Congress created the U.S. Postal Service (USPS) in 1971 as an independent government agency, the USPS Board of Governors has regularly approved rate increases, raising first-class postage from six cents to the proposed 30 cents next year — a total increase of 400 percent.

Why are postal costs rising so rapidly? Any discussion of postal costs must focus on labor, which represents 83 percent of the postal budget.

### What A Stamp Pays For

Of the proposed 30-cent stamp, five cents will pay for the 40,000 post offices, the largest civilian fleet of vehicles in the nation, the several billion dollars worth of automated equipment and its maintenance, and the USPS headquarters in Washington, D.C. The remaining 25 cents will pay for labor.

One might argue that the Postal Service's labor costs are so high because the Service is extremely labor intensive. But as Murray Comarow, a retired assistant postmaster general said, "The federal judicial system, which one would think is as labor-intensive as a system can get, spends a mere 56.5 percent of its budget on wages and fringe benefits."

The Postal Reorganization Act of 1970 stipulated that postal workers should be paid comparable wages to workers in the private sector. The current postal worker compensation package clearly violates the Reorganization Act's intent.

According to the USPS, the average total compensation (base salary plus benefits) for bargaining employees is \$37,048 annually. This

salaries are compared with private sector base salaries.

A comparison of postal worker compensation to similar private sector compensation showed substantial differences. The average base salary for a postal clerk is \$28,629; with benefits, postal clerks earn \$36,239. Mail clerks in the private sector, according to the U.S. Department of Labor's Bureau of Labor Statistics (BLS), earn \$16,826.

Postal Service vehicle maintenance workers earn a base salary of \$30,735, or \$37,749 with benefits. Private sector bus and truck mechanics earn \$23,979.

Postal Service building services workers earn \$27,029, or \$33,204 with benefits. Private sector building services workers earn \$15,121.

Postal Service special delivery messengers earn \$28,249, or \$33,076 with benefits. Private delivery service messengers earn \$18,221. Postal Service vehicle drivers earn \$29,220, or \$37,941 with benefits. Private sector light truck drivers earn \$20,066.

In addition, compare the average base salary of postal workers at \$29,444 with the average salary of a teacher at \$27,838 or police officer at \$27,545. Do these figures accurately reflect our national priorities?

Postal workers are currently classified between GS9 and GS11 on the federal pay scale, according to the BLS. This means postal workers' wages equal that of government attorneys, accountants, chemists, auditors, engineers, registered nurses and computer programmers.

### Labor Negotiations

Postmaster General Anthony Frank has said that he is going to ask workers to show restraint in the upcoming labor negotiations. But he has also told the unions that there will be no requests from the Postal Service for wage givebacks.

That concession in advance on wage givebacks and the call for a massive rate increase even before the start of negotiations raise serious questions as to the Postal Service's commitment to significant cuts in labor costs. Instead, it would appear the Postal Service is

counting on an easy option to hard-headed bargaining — that is, merely passing higher labor costs on quickly to the public.

For years, business has willingly acquiesced to ever escalating postal rate increases and declining service standards.

Escalating wages can be justified in a competitive environment only if there is a corresponding increase in productivity.

In a monopoly environment like the Postal Service, where productivity has been flat or fallen in each of the last three years, even dismal performance merits large pay raises for workers.

When the United States dominated the auto industry, the industry's unions negotiated generous compensation packages. When the Japanese produced cars at lower prices, the industry could no longer bear the burden of the high wages and consequently lost the market to foreign competitors.

For the auto industry to remain competitive and for employees to keep their jobs, workers agreed to wage givebacks during recent contract negotiations. The Postal Service, as a monopoly organization, does not feel the pressures of competition. Unions, aware of this fact, have negotiated wage and benefit packages that are clearly out of line with the private sector.

Faced with increasing rates, large mailers are turning to alternative delivery methods. In an era of electronic transfer and fax machines, the Postal Service may find out too late that it has been bypassed by technology and priced out of the marketplace.

## WHAT A 30-CENT STAMP PAYS FOR

25 CENTS



Covers:

5 CENTS



Covers:



figure, however, does not include overtime and premium pay, which bring total compensation to nearly \$40,000 a year. In addition, this figure does not include taxpayer subsidies. U.S. taxpayers still pick up a tab of \$1 billion a year for USPS retiree cost-of-living increases and the \$1 billion for retiree health insurance.

In contrast, total compensation for employees in the service sector averages \$21,782, according to the U.S. Department of Commerce's 1988 Survey of Current Business. For all workers in the private sector, total compensation is \$25,223.

This however, is not an ideal comparison because the USPS figure includes only clerks, mailhandlers, supervisors and other semi-skilled workers, whereas the private sector figure includes total compensation for highly-paid, highly-skilled occupations such as doctors, attorneys and engineers.

More specifically, a recent U.S. Department of Labor study found that the Postal Service pays its mailhandlers nearly twice as much as mailhandlers would earn in private industry. This surfaced in a recent decision by the Postal Service to hire a private concern to transfer mail at a new Binghamton, New York truck terminal.

According to Business Mailers Review, as part of the \$1.8 million plus annual contract, the operator agreed to pay prevailing wages. In the Binghamton area, the U.S. Department of Labor reports the prevailing wage is \$7.44 per hour, including health benefits and holiday pay. However, the Postal Service pays its mailhandlers \$14.50 per hour, plus several dollars an hour in fringe benefits.

Comparing the salaries of postal workers with those of their private sector counterparts reveals wide discrepancies. Total compensation (salary and benefits) could not be obtained for individual private sector jobs so Postal Service base

· Nationwide Vehicle Fleet  
· Installation and Maintenance  
of Automated Equipment  
· The U.S.P.S. Headquarters  
in Washington, D.C.

Graphic courtesy of Services Watch

unions should need the advice of Gene James, a letter carrier who wrote in Postal Life magazine: "Management and our unions are strangling the Postal Service. The national contract is not written in blood. It's time all of us start bending a little to get the job done before we break and don't have a job."